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19 May 1960

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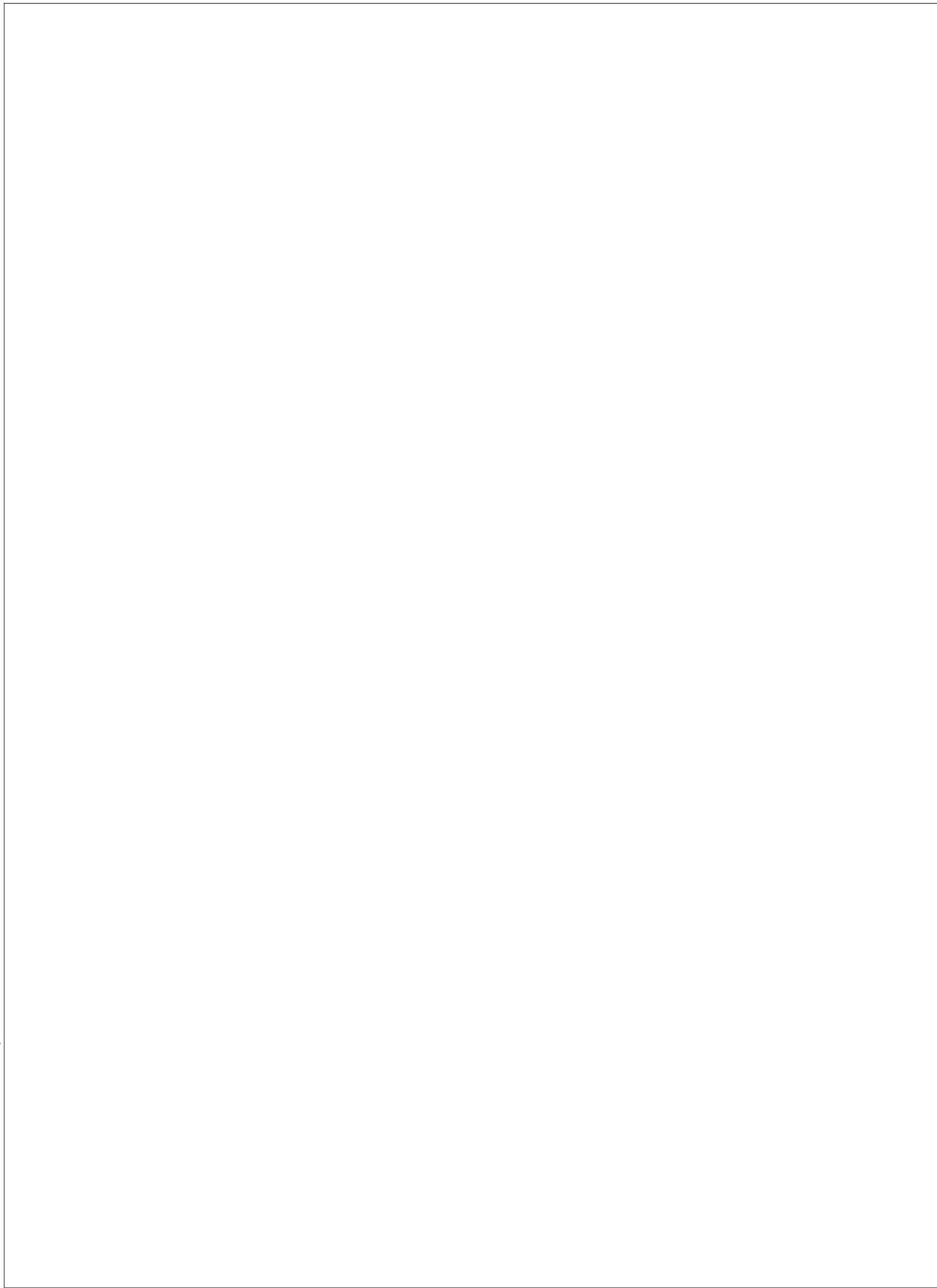
CENTRAL INTELLIGENCE BULLETIN



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19 MAY 1960

I. THE COMMUNIST BLOC

Statements of Khrushchev and other Soviet spokesmen in Paris designed to give impression USSR will continue bitter line on U-2 incident but take no other action in next few months to increase tension.

Mikoyan may be slated for removal.

Soviet-Iraqi relations evincing gradual deterioration.

II. ASIA-AFRICA

Nehru considering two-day visit to Khrushchev next week.

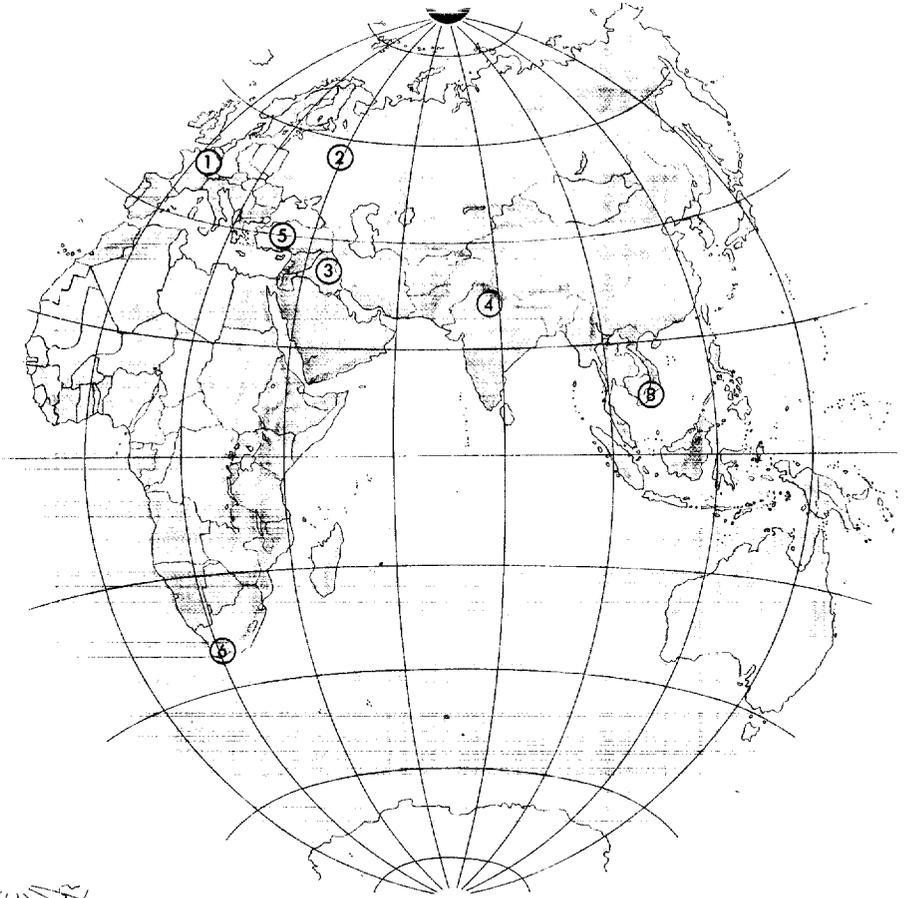
Turkey--Menderes' prestige at all-time low in Istanbul.

South African Government refuses to terminate state of emergency.

New Zealand premier's statement suggests desire for early recognition of Communist China.

South Vietnam--Diem regime deprecates "manifesto" by disaffected officials but moves to head off further criticism.

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- ⑦
- ⑧



III. THE WEST

⑨ Former Castro cabinet minister said to feel recognition of Peiping by Cuba is imminent.



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CENTRAL INTELLIGENCE BULLETIN

19 May 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

USSR: Khrushchev's final press conference on 18 May and the line being taken both publicly and privately by other Soviet spokesmen in Paris are designed to give the impression that while the Soviet premier, for the foreseeable future, will vigorously press his bitter anti-American campaign on the U-2 issue, he does not intend to make any sharp reversals in the other major lines of his foreign policy. Foreign Minister Gromyko told British Foreign Secretary Lloyd [redacted] that the USSR would take no action in the months immediately ahead which would increase tensions or make trouble.

*This point was echoed by Yuriy Zhukov, chairman of the State Committee for Foreign Cultural Relations. Khrushchev, Gromyko, and Zhukov all seemed to assume that negotiations on disarmament and a nuclear test ban would continue. Zhukov indicated that Khrushchev had played "this one by ear," that even those in his own retinue did not know what he might do from one minute to the next, and that a central committee meeting and a subsequent bloc conference were virtual certainties.] [redacted] (Page 1)

*USSR: Mikoyan is slated for removal from the Soviet leadership, according to some of the Communist correspondents now in Paris. [redacted]

[redacted] Mikoyan differed with Khrushchev over the latter's harsh reaction to the U-2 incident. An unconfirmed press report states that Mikoyan, who has not been identified in Moscow since 7 May, is "on holiday." The removal of the durable Armenian, who has played a large part in the making of Soviet foreign policy--particularly in recent years--would probably also mean the removal of a moderating influence on Khrushchev. [redacted] (Page 3)

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OK
USSR-Iraq: [Iraqi security services since 10 May have undertaken intensive surveillance of the Soviet Embassy and homes of bloc diplomatic personnel.] [While Moscow and Baghdad officially remain on good terms, the Iraqi ambassador to Moscow reportedly commented during a recent trip to Baghdad that the two countries are "not as close as they were a few months ago" and that Soviet leaders are increasingly less well disposed toward Qasim.] These developments tend to substantiate the gradual decline in Iraqi-Soviet relations marked by Qasim's refusal in February to license the orthodox Communist party, the failure of Mikoyan's April visit to produce significant results, and recent signs that Baghdad would like to improve relations with the West. [redacted]
 (Page 4)

II. ASIA-AFRICA

OK
India-USSR: [Nehru, en route home from the Commonwealth conference, on 16 May was reportedly considering a two-day visit to Moscow for talks with Khrushchev, probably around 26-27 May, before returning to India. Nehru [redacted]
 [redacted] had received letters from Khrushchev repeating an earlier invitation to come to Moscow as soon as possible and was awaiting further word before making final plans. Nehru, now in the UAR, probably has been badly shaken by developments at the summit. Any decision to go to Moscow now presumably depends on his revised assessment of the situation and on whether he feels his personal intervention would help ease tensions.] [redacted]
 [redacted]

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Turkey: The prestige of Prime Minister Menderes is at an all-time low in Istanbul, and opposition elements there have gained a new sense of confidence. [Turkish security forces expect a large demonstration in Ankara on 19 May, a Turkish youth and sports holiday.] [redacted]
 (Page 5)

OK
South Africa: The South African Government apparently intends to maintain its present authoritarian policy, despite mounting criticism within the country's white community. In parliament on 16 May, Justice Minister Erasmus refused to yield to vociferous opposition demands that the seven-week-old state of emergency be lifted, stating that the emergency regulations must remain in force at least

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until 20 alleged Communists who are fugitives in neighboring British-controlled territories are returned to the Union. The American Embassy in Cape Town notes an increasing government tendency to blame the recent disturbances on Communist agitation. [redacted] (Page 6)

OK
New Zealand: [Prime Minister Nash's 13 May statement that the Commonwealth conference in London generally recognized "the early need for Chinese participation in disarmament measures" suggests that he may be contemplating recognition of Communist China, partly to fulfill a pledge of the Labor party 1957 platform, before the next elections in November. Nash, however, would presumably seek some prior consultation with New Zealand's principal allies, inasmuch as he considers recognition a question of timing, and would seek to avoid any timing damaging to Western prestige.] [redacted] (Page 7)

OK
South Vietnam: [The Diem regime, while outwardly ignoring the much-publicized "manifesto" for democratic reforms issued in Saigon recently by a group of former officials, is maneuvering to head off more serious criticism. The government is taking pains to retain the loyalty of student elements, and has instigated a smear campaign in the press against the opposition group, labeling it "foreign inspired." Diem apparently plans more direct repression, but is withholding action until he can calculate international reaction.] [redacted] (Page 8)

III. THE WEST

OK
Cuba - Communist China: Castro's former minister of finance is reported to have commented privately on 16 May that the Cuban Government is "under heavy pressure" to recognize Communist China immediately and that he felt the move is imminent. Many regime officials are sympathetic to the Chinese Communists. Cuban Armed Forces Inspector General William Galvez Rodriguez recently had two audiences with Mao Tse-tung. According to the New China News Agency, Galvez said in Peiping on 12 May that the Cuban people want to intensify their "intimate relationship" with the Chinese people and to unite with them "in opposition to the imperialists of the US" [redacted]

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~~TOP SECRET~~**IV. WATCH COMMITTEE CONCLUSIONS**

[On the basis of findings by its Watch Committee, the United States Intelligence Board concludes that:]

- A. [No Sino-Soviet bloc country intends to initiate hostilities against the United States or its possessions in the immediate future.]
- B. [No Sino-Soviet bloc country intends deliberately to initiate direct military action against US forces abroad, US allies, or areas peripheral to the orbit in the immediate future.]

[Applicable to both above conclusions:]

[With respect to the breakup of the summit conference, no Soviet bloc military activity has been detected which conveys threatening implications.]

- C. [The following developments are susceptible of direct exploitation by Soviet/Communist hostile action which could jeopardize the security of the US in the immediate future:]

[The Situation Regarding Berlin and East Germany]

[While there are no indications that the Soviet Union intends in the immediate future to turn over Berlin access controls to the East German regime, there are indications that the USSR will increase pressure on the West with regard to the Berlin issue, including specific steps toward a separate peace treaty with East Germany.]

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I. THE COMMUNIST BLOC

Khrushchev's Post-Summit Policy

[Khrushchev's 18 May press conference suggests that he will vigorously press his bitter anti-American campaign in an attempt to brand the United States as responsible for preventing a summit meeting. Moscow has already requested an urgent meeting of the UN Security Council and will probably also keep the issue alive with the trial of the American pilot.]

[However, Khrushchev's extemporaneous remarks on other East-West issues, together with the line taken by Foreign Minister Gromyko [redacted] are designed to give the impression that Moscow does not intend to make any sharp reversals in the other major lines of its foreign policy. Both Khrushchev and Gromyko dealt with the disarmament and nuclear test ban conferences in a manner which implied that they expected the negotiations to continue. Khrushchev warned, however, that the USSR would resume nuclear testing if the United States did so and that Moscow would not tolerate "procrastination" on disarmament.]

[In response to Lloyd's questioning, Gromyko stated that the USSR intended no action to increase tensions or make trouble during the six- to eight-month interval proposed by Khrushchev before another summit. He avoided a direct answer as to whether Khrushchev would sign a separate peace treaty during his visit to Berlin, and repeated the standard Soviet position that, if no agreement were reached, Moscow would be forced to sign a separate treaty. Khrushchev took a similar position in his press conference, but he warned that the USSR had almost reached the "limits" of its effort to conclude a treaty with both Germanys and that, when this point was reached, the treaty would be signed and announced to the world.]

[Yuriy Zhukov, Soviet cultural relations leader, confirmed the general line taken by Khrushchev and Gromyko.]

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[on future Soviet policy, saying that "neither side would wish to push tension to a point which would make a later meeting impossible," and that the disarmament and test-ban conferences and the cultural exchange program should "go forward.")

[Zhukov said the USSR had felt even before the U-2 incident that the Americans were renegeing on "previously given assurances of a desire to achieve a mutually satisfactory Berlin settlement." He maintained that in the U-2 incident the USSR had given the United States "several possible outs" but American statements closed these "escape hatches" one by one.]

[Both Zhukov and a Pravda correspondent expressed doubt that the USSR now would act unilaterally on Berlin, but Zhukov added, "I'm not a gypsy." Zhukov gave the impression that the USSR had been led to expect greater flexibility in the US position in Berlin.]

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~~TOP SECRET~~ [REDACTED]Mikoyan's Status in Doubt

Communist correspondents in Paris are saying that Mikoyan will be the "next man to leave the Communist hierarchy in the Soviet Union." according to a Western news source. [REDACTED]

[REDACTED] Mikoyan had criticized Khrushchev for overplaying the U-2 incident. [REDACTED]

[REDACTED] "according to some information" Mikoyan told Khrushchev that the limits of exploitation of the incident had been reached, and that he should moderate his offensive tone in order to preserve the fruits of the successful initial handling. [REDACTED] "it is said" that Mikoyan had criticized Khrushchev's harsh action in the affair.

Mikoyan apparently was absent from Moscow during the week preceding the opening of the summit conference, probably the most critical period in the formulation of Soviet policy on the U-2 incident and the summit conference. He attended the Supreme Soviet session which ended on 7 May, but was not present at the 9 May celebration marking the anniversary of the defeat of Germany, nor was he on hand for Khrushchev's departure for Paris on 14 May. All other full members of the party presidium were present for both events. One Western news service, in an unconfirmed dispatch datelined Moscow, 14 May, stated that Mikoyan was "on holiday."

Mikoyan, who has been primarily concerned with Soviet foreign relations for several years, has long seemed to be the most "Western-oriented" member of the Soviet regime. His relationship with Khrushchev, which was especially close, was apparently based on mutual respect and similarity of views. The removal of Mikoyan, heretofore one of the most durable of the Soviet leaders, would also remove one of the strong moderating influences on Khrushchev. [REDACTED]

[REDACTED]

[REDACTED]

~~TOP SECRET~~ [REDACTED]

~~SECRET~~Soviet-Iraqi Relations Continue Slow Decline

[The USSR and Iraq are "not as close as they were a few months ago" and Soviet leaders are increasingly less well disposed toward Qasim, [redacted] [redacted]

[redacted] This conclusion is in line with growing signs that, while Moscow and Baghdad remain officially on good terms and bloc aid programs have not been affected, relations have slowly declined as a result of the Qasim regime's moves against Iraq's Communists and indications that Baghdad would like to improve its ties with the West. The visit to Iraq of First Deputy Premier Mikoyan in early April failed to counter these trends.

Moscow is particularly irritated over Qasim's efforts to split Communist ranks by his continued backing of a splinter group which was licensed in February as the "Communist party of Iraq." This group, which is having difficulty in developing even a rudimentary political machine, was recently given a six-month extension to fulfill Iraqi legal requirements for calling a party convention. The Qasim government has also continued to refuse to give recognition to the Moscow-backed Communists as a legal party.

Soviet annoyance with Qasim has been reflected [redacted] as in March when a quasi-official lecturer in Moscow censured the Iraqi leader for "using" the Communists, but the Soviet press and radio have withheld open criticism.

[On the Iraqi side, Qasim's growing suspicion of bloc activities is shown in intensive surveillance by Iraqi security services starting 10 May of the Soviet Embassy and the homes of bloc diplomatic personnel.] During the past few weeks Qasim has placed anti-Communist officers in command of several air force squadrons, and the influence of the pro-Communist commander of the air force, Brig. Jalal al-Awqati, has been curtailed. Baghdad has also recently allowed two anti-Communist papers, which had been previously closed down, to resume publication. Both are strenuously attacking Communists. [redacted]

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II. ASIA -AFRICA

Turkish Internal Situation

The prestige of Turkish Prime Minister Menderes' regime is reported at an all-time low in Istanbul, and articulate opinion now is described as "universally anti-Menderes." Opposition elements in the Republican People's party (RPP), the press, and the universities, according to the American consul general in Istanbul, are confident of their ability to resist and ultimately defeat the government.

[A large-scale demonstration reportedly is planned for Ankara on 19 May, the Turkish youth and sports holiday, but otherwise] the country remains relatively quiet. The next move appears up to the government; the RPP continues its recently adopted position of watchful waiting.

Meanwhile, business is reported at a standstill in Istanbul, with businessmen uncertain about the future and general services totally dependent on continuation of martial law. The city's return to normal police control, the reopening of the universities, or the re-establishment of a relatively free press would result in new and probably more violent disorders, according to the consul general.

The army on the surface is maintaining its traditional role of aloofness from internal politics, but there are increasingly frequent reports of intervention by senior army officers to restrain the police or government from excessively repressive measures. Many junior and middle-grade army officers, described as economically dissatisfied, are believed sympathetic to the opposition.

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South Africa to Continue Authoritarian Policies

The South African Government apparently intends to maintain its present authoritarian policy, despite mounting criticism within the country's white community. In parliament on 16 May, Justice Minister Erasmus refused to yield to vociferous opposition demands that the seven-week-old state of emergency be lifted. He said that 157 Communists were behind the recent disturbances and that 20 of these leaders had escaped to neighboring British-controlled territories. He said that the emergency regulations would remain in effect at least until the agitators were returned to the Union for trial.

Conservative members of the ruling Nationalist party have renewed their campaign to establish closer control over the opposition press. A leading Nationalist member of parliament warned on 16 May that the government "will have to be prepared either to close down newspapers or at least summon those responsible for them and tell them what is expected of them." This statement brought an immediate denial from Interior Minister Naude, a relatively moderate Nationalist.

Although Prime Minister Verwoerd may move to moderate some of the harsher aspects of apartheid when he resumes leadership of the government, the Nationalists have shown no indication of letting up in their drive to suppress the "agitators and gangsters" whom they consider responsible for the riots last March. Since conservative Nationalists usually characterize the opposition press and relatively liberal political parties as "agitators," pressure on these groups may be increased. In addition, the American Embassy in Cape Town notes an increasing tendency--typified by Erasmus' 16 May statement--to blame the recent disturbances on Communist agitation.

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[REDACTED]

New Zealand Prime Minister Possibly Considering Recognition
Of Red China

[New Zealand Prime Minister Nash's 13 May statement that the Commonwealth conference in London generally recognized the need for Communist China's participation in disarmament measures suggests that he may plan, before New Zealand's national election in November, to fulfill a pledge in the Labor party's 1957 platform to recognize the Peiping regime. He stated that the policy of keeping China "at arms length is one of diminishing returns and may not be in the best interests of our peace and security...."]

[Nash may feel that such a move would lessen current East-West tensions, at least in the disarmament field. During his visit to the USSR in April, Nash praised Khrushchev's disarmament policies, and his generally laudatory comments on the Soviet internal situation raised considerable speculation in Wellington that he might follow up his trip with a policy shift toward Peiping.]

[Although there is comparatively little opposition in New Zealand toward either recognition of Communist China or its admission to the UN, Nash has justified postponement of the move as a question of timing and in deference to the United States' position. Responsible New Zealand officials have repeatedly asserted that Nash would take no steps without prior consultation with New Zealand's principal allies, and the prime minister presumably would be reluctant to take action damaging Western prestige following upon the collapse of the summit conference.]

[REDACTED]

[REDACTED]

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~~CONFIDENTIAL~~South Vietnam Government Maneuvers Against Local Critics

[The Diem regime, despite a show of unconcern, realizes that the much-publicized "manifesto" for democratic reforms issued in Saigon last month by a group of former officials and civic leaders could lead to more serious criticism. The government accordingly is taking immediate steps to bolster its prestige, while seeking to stigmatize its critics before popular opinion. Thus far, however, the widespread public discontent over the government's authoritarian excesses has taken no organized form.]

[With the recent events in South Korea in mind, the government is turning particular attention to student elements, and has decided on an organizational program designed to assure their loyalty. At the same time, under the pretense of protecting the public against hoodlums, authorities reportedly have already arrested a number of youths suspected of antigovernment sentiment.]

[The Vietnamese press, apparently at government instigation, is characterizing the small opposition group as "foreign inspired." Stressing that the group's press conference was held before "foreign journalists" in a "foreign hotel"--Air France's elegant Caravelle in Saigon--editorials in progovernment papers have warned that this reliance on foreigners would lead to loss of Vietnamese sovereignty if the group had power.]

[The government apparently is considering more direct repression of the group, which has just applied for registration as a legal opposition party. Ngo Dinh Nhu, President Diem's brother and political adviser, has described the group's public criticism as illegal, and has stated that the government has little choice but to apply the law. Thus far, however, the government has maintained an official silence on the matter, with Diem taking stock of international reaction--particularly American--before showing his hand. In a rare presidential press conference held recently, Diem stated that "critics are always acceptable provided they are fair and impartial."]

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~~CONFIDENTIAL~~**THE PRESIDENT****The Vice President****Executive Offices of the White House****Special Assistant for National Security Affairs****Scientific Adviser to the President****Director of the Budget****Director, Office of Civil and Defense Mobilization****Director, National Aeronautics and Space Administration****Special Assistant for Security Operations Coordination****Chairman, Board of Consultants on Foreign Intelligence Activities****Special Assistant for Foreign Economic Policy****Executive Secretary, National Security Council****The Treasury Department****The Secretary of the Treasury****The Department of State****The Secretary of State****The Under Secretary of State****The Under Secretary of State for Political Affairs****The Deputy Under Secretary of State for Political Affairs****The Deputy Under Secretary of State for Administration****The Counselor****Director, International Cooperation Administration****The Director of Intelligence and Research****The Department of Defense****The Secretary of Defense****The Deputy Secretary of Defense****Assistant Secretary of Defense for International Security Affairs****The Secretary of the Army****The Secretary of the Navy****The Secretary of the Air Force****The Chairman, The Joint Chiefs of Staff****The Director, The Joint Staff****Chief of Staff, United States Army****Chief of Naval Operations, United States Navy****Chief of Staff, United States Air Force****Commandant, United States Marine Corps****Assistant to Secretary of Defense for Special Operations****Director for Intelligence, The Joint Staff****Assistant Chief of Staff for Intelligence, Department of Army****Director of Naval Intelligence, Department of Navy****Assistant Chief of Staff, Intelligence, Department of the Air Force****Supreme Allied Commander, Europe****Commander in Chief, Pacific****The Department of Commerce****The Secretary of Commerce****Federal Bureau of Investigation****The Director****Atomic Energy Commission****The Chairman****National Security Agency****The Director****National Indications Center****The Director**~~CONFIDENTIAL~~

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